

## **EXHIBIT B**



**Medical Advisory Board**

**I. Overview**

LifeWatch, Inc. provides ambulatory cardiac monitoring services, including 30-day event monitoring, pacemaker follow up, and Holter monitoring, to patients across the country. LifeWatch provides 24 hour, seven days a week service from three locations: Buffalo Grove, Illinois, Boca Raton, Florida, and Greenville, South Carolina.

**II. The Medical Advisory Board**

The LifeWatch Medical Advisory Board is comprised of cardiologists. One member of the Board serves in the capacity of Chairman and facilitator. The Board is supported administratively by LifeWatch personnel. The position requirements and responsibilities are outlined in Appendix A - Position Description - Chairman and Appendix B - Position Description - Board Member.

**III. Time Commitment**

LifeWatch recognizes the value of the Board Member's time, and a guide to the time commitment for the medical advisory board is projected below:

- |                    |   |
|--------------------|---|
| Conference Calls:  | Once per quarter, expected duration is one to one and a half hours.   |
| Meetings:          | (1) Advisory Board Meetings would usually be scheduled in conjunction with major medical meetings, such as AHA, ACC or NASPE. Expected duration of meetings is two hours maximum. |
|                    | (2) LifeWatch Senior Management Meetings, once per quarter, based on need.  |
| Individual Review: | Review of individual programs, and results, as necessary.   |

**IV. Communication**

LifeWatch will utilize the most convenient methods to expedite communication with each Board Member. The most favorable method of communication will be determined with the individual during the orientation process.

**V. Term of Agreement**

This Agreement shall be effective as of the date set forth in this Agreement through April 30, 2001. No later than one month prior to the end of this period, both parties shall commit to reviewing their respective situations regarding the renewal of their Agreement for a second term. The Board Member and/or LifeWatch may terminate this Agreement at any time by giving both verbal and written notice. Termination of this Agreement shall terminate any obligation of any party which arose prior to such termination.

**VI. Compensation**

All Board Members will receive LifeWatch Holding Corporation Stock Options and an honorarium for their respective participation on the Board. The honorarium is paid based upon attendance at Board meetings and other LifeWatch activities. (See Appendix C for compensation rates).

**VI. Expenses**

The Company will reimburse the Board Member for all reasonable expenses related to LifeWatch business. The Board Member must provide the necessary receipts for expenses incurred while performing duties for LifeWatch.

**VII. Indemnification**

Board Member shall indemnify and hold harmless LifeWatch, its directors, officers, agents and employees from and against any and all claims, demands or causes of action for injury to persons or damage to property arising out of or resulting from the negligent performance of any services required herein to be performed by Board Member or any wrongful act or omission on the part of Board Member.

LifeWatch shall indemnify and hold harmless Board Member from and against any and all claims, demands or causes of action for injury to persons or damage to property arising out of or resulting from the fact that Board Member is acting as or has acted as a Board Member under this Agreement, provided that the foregoing shall not apply to any claim, demand or cause of action arising out of or arising from (i) the negligent performance of any services required herein to be performed by Board Member or any wrongful act or omission on the part of Board Member or (ii) any act or failure to act by Board Member that involves the provision of medical care or advice to any particular patient.

**VIII. Independent Contractor**

The Board Member shall be providing services as an independent contractor and the relationship of employer and employee does not exist between the Board Member and LifeWatch. The Board Member shall not have any authority to bind LifeWatch in any way without additional prior written authority of LifeWatch. In performing services under this Agreement, the Board Member shall at all times act and represent himself/herself as an independent contractor and not as an employee or partner of, or joint venturer with, LifeWatch.

Notwithstanding anything else in this Agreement to the contrary, it is not the purpose of this Agreement for any Board Member to render medical or other services to patients to whom LifeWatch provides services from time to time. Board Members and LifeWatch agree that LifeWatch shall have no responsibility for medical or other services rendered to any patient by Board Member.

**IX. Confidentiality**

The parties hereto acknowledge that as a consequence of the advisory work to be provided by the Board Member under this Agreement, proprietary data and other confidential information may be disclosed to or obtained by the Board Member. Confidential Information shall include but is not limited to information about research projects, strategic issues, financial information processes, databases and techniques treated as confidential and not generally known in the trade. The parties hereto agree that, except with the prior written consent of the Company, the Board Member shall not disclose or otherwise reveal any Ralin Confidential Information to any person who is not an officer of the Company and shall

not use or otherwise make use of Confidential Information except for the exclusive benefit of the Company. The provisions of this confidentiality agreement shall survive any termination of this Agreement.

**X. Ownership of Intellectual Property**

*Pd* All inventions, discoveries, ideas, and other information or concepts that might be described as intellectual property that are made, compiled or created by the Board Member and that principally and fundamentally are based upon the work of the Board Member conducted during the term of this Agreement shall be the property of LifeWatch, unless expressly stated otherwise as an Appendix to this Agreement. The Board Member agrees to disclose promptly to each such invention, discovery, idea, information and concept and to do all things reasonably necessary to perfect the Company's right, title, and interest in and to each such invention, discovery, idea, information and concept. *as it relates to LifeWatch bus*

The parties have duly executed this Agreement on the dates set forth below.

**LifeWatch Holding Corporation**  
d/b/a LifeWatch, Inc.

*[Signature]*  
President and CEO

Date: 04/14/00

**Robert Schwarzberg, MD**

*[Signature]*  
LifeWatch Medical Advisory Board Member

Date: 3/27/00

*Pd* All inventions, discoveries, ideas, and other information that might be described as intellectual property that are made, compiled or created by the board member as related to the activities & business plans & goals of LifeWatch, or created in conjunction with, at the request of, related to, or in connection with, the business of LifeWatch.

**Appendix A**

**Position Description**

**Title:** Chairman, LifeWatch Medical Advisory Board

**Responsibilities:**

Responsibilities include but are not limited to:

1. Chair and facilitate LifeWatch Medical Advisory Board meetings.
2. Participate in the development of the strategic direction for LifeWatch
3. Participate in the design and review of operating procedures, quality improvement programs and outcome reporting.
4. Participate in LifeWatch Senior Management Meetings as necessary
5. Represent LifeWatch at external meetings such as sales presentations or professional meetings.
6. Review all clinical publications reporting LifeWatch activities.
7. Participate in new product and service development.

## **Appendix B**

### **Position Description**

**Title:** Member, LifeWatch Medical Advisory Board

**Responsibilities:**

Responsibilities include but are not limited to:

1. Participate in LifeWatch Medical Advisory Board meetings.
2. Participate in the development of the strategic direction for LifeWatch
3. Participate in the design and review of operating procedures, quality improvement programs and outcome reporting.
4. Participate in LifeWatch Senior Management Meetings as necessary
5. Represent LifeWatch at external meetings such as sales presentations or professional meetings.
6. Review all clinical publications reporting LifeWatch activities.
7. Participate in new product and service development.

**Appendix C**

**Compensation**

Compensation for the LifeWatch Medical Advisory Board Co-Chairmen is \$15,000 in LifeWatch Holding Corporation Stock Options for the term of the Agreement. These Stock Options will become effective on the date they receive approval by the LifeWatch Holding Corporation Board of Directors.

In addition, Board Chairmen will be granted an honorarium of \$1,500 for any meeting requiring their physical attendance. This honorarium will be forwarded to each attending Member within seven (7) working days of the date of the meeting.